



STATE MINING AND GEOLOGY BOARD

EXECUTIVE OFFICER'S REPORT



ARNOLD
SCHWARZENEGGER
GOVERNOR

For Meeting Date: April 9, 2009

Agenda Item No. 4: Adoption of Proposed Regulation for the Termination of Designation of Mineral Resources Lands of Statewide or Regional Significance, Claremont-Upland Production-Consumption Region, Los Angeles and San Bernardino Counties, California.

INTRODUCTION: The State Mining and Geology Board (SMGB), based on recommendations from the State Geologist, and public input, considers mineral resource lands for designation or termination of designation. The State Geologist has recommended termination of select mineral resource lands previously designated in the Claremont-Upland Production-Consumption Region, Los Angeles and San Bernardino Counties. Such recommendations were accepted by the Mineral and Geologic Resources Committee (Committee) at their meeting held on April 10, 2008. Pursuant to Public Resources Code (PRC) Section 2793, the Committee held a public hearing to receive comments on the proposed action on March 11, 2009. The SMGB is considering the proposed regulations for the termination of designation of mineral resources lands of statewide or regional significance in the Claremont-Upland Production-Consumption Region of Los Angeles and San Bernardino Counties, California.

STATUTORY ASPECTS: The SMGB's statutory authority to incorporate mineral lands classification information into state policy is provided pursuant to Division 2, Chapter 9, Article 4, State Policy for the Reclamation of Mined Lands, PRC Section 2761(a), which states:

"On or before January 1, 1977, and, as a minimum, after the completion of each decennial census, the Office of Planning and Research shall identify portions of the following areas within the state which are urbanized or are subject to urban expansion or other irreversible land uses which would preclude mineral extraction:

(1) Standard metropolitan statistical areas and such other areas for which information is readily available.

(2) Other areas as may be requested by the board.

(b) In accordance with a time schedule, and based upon guidelines adopted by the board, the State Geologist shall classify, on the basis solely of geologic factors, and without regard to existing land use and land ownership, the areas identified by the Office of Planning and Research, any area for which classification has been requested by a petition which has been accepted by the board, or any other areas as may be specified by the board, as one of the following:

(1) Areas containing little or no mineral deposits.

(2) Areas containing significant mineral deposits.



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(3) Areas containing mineral deposits, the significance of which requires further evaluation.

The State Geologist shall require the petitioner to pay the reasonable costs of classifying an area for which classification has been requested by the petitioner.

(c) The State Geologist shall transmit the information to the board for incorporation into the state policy and for transmittal to lead agencies.”

The SMGB’s statutory authority to consider areas for designation is provided pursuant to Division 2, Chapter 9, Article 6, Areas of Statewide or Regional Significance, PRC 2790, which states:

“After receipt of mineral information from the State Geologist pursuant to subdivision (c) of Section 2761, the board may by regulation adopt after a public hearing to designate specific geographical areas of statewide or regional significance and specify the boundaries thereof. Such designation shall be included as a part of the state policy and shall indicate the reason for which the particular area designated is of significance to the state or region, the adverse effects that might result from premature development of incompatible land uses, the advantages that might be achieved from extraction of the minerals of the area, and the specific goals and policies to protect against the premature incompatible development of the area.”

The statutory authority which allows the SMGB to terminate, in whole or in part, an area previously designated is provided pursuant to PRC Section 2793 which states:

“The board may, by regulation adopted after a public hearing, terminate, partially or wholly, the designation of any area of statewide or regional significance on a finding that the direct involvement of the board is no longer required.”

Designation, and termination of designation, partially or wholly, is a regulatory action.

BACKGROUND: Designation is the formal recognition by the SMGB of lands containing mineral resources of regional or statewide economic significance that are needed to meet the demands of the future. The SMGB, based on recommendations from the State Geologist and public input, prioritizes areas to be classified and/or designated. In 1987, the SMGB designated construction aggregate resource areas of regional significance in the Claremont-Upland P-C Region in the report prepared by CGS under the direction of the SMGB titled “*SMARA Designation Report No. 5 - Designation of Regionally Significant Construction Aggregate Resources in the Claremont-Upland and San Bernardino Production-Consumption Regions.*” At its December 13, 2007 regular business meeting, the SMGB accepted California Geological Survey (CGS) Special Report 202. This report updated information previously presented in a classification report published in 1984 by the California Division of Mines and Geology (CDMG; now CGS) as Special Report 143 (SR 143) – *Mineral Land Classification of the Greater Los Angeles Area, Part VI,*



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Classification of Sand and Gravel Resource Areas, Claremont-Upland Production-Consumption Region.

The updated mineral classification report prepared by CGS, SR 202, presented the following conclusions:

- As of January 2006, four mines, operated by three different mining companies, were producing PCC-grade aggregate in the Claremont-Upland P-C Region. In addition to PCC aggregates, these mines also produced a full range of lower aggregate grades for such products as asphaltic concrete and base.
- Anticipated aggregate consumption in the Claremont-Upland P-C Region for the next 50 years (through the year 2056) is estimated to be 240 million tons, of which 169 million tons must be PCC quality.
- Since 1984, permitted PCC-grade aggregate reserves have increased from 55 million tons to 121 million tons, extending the projected depletion date from 1991 to 2034.
- About 19 percent, or 821 acres of the 4,310 acres of lands designated by the SMGB in 1987, has been lost to land uses incompatible with mining. This equates to 110 million tons of PCC-grade aggregate resources lost.

The State Geologist has recommended termination of select mineral resource lands previously designated in the Claremont-Upland Production-Consumption Region, Los Angeles and San Bernardino Counties. Such recommendations were accepted by the Committee at their meeting held on April 10, 2008.

CANDIDATE AREAS FOR TERMINATION OF DESIGNATION: Eighteen areas in eleven Sectors are identified by the State Geologist as potential candidates for termination of designation status because of high-value incompatible land use developments. New housing has been placed on fifteen of the eighteen areas; two areas are the site of a new freeway, and another area is crossed by a flood control channel.

Candidates for Termination of Designation in Sector B-1 (totaling 261 acres) are in five separate locations: 1) housing development along the northwestern edge of the Sector, adjacent to Padua Avenue and north of Alamosa Drive; 2) housing development along the northeastern edge of the Sector between 20th Street and 21st Street; 3) the 210 Freeway crossing of the Sector in the central part, both north and south of Base Line Road; 4) industrial development along the southeastern edge of the Sector between 16th Street



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and 17th Street; and 5) housing development in the southwestern corner of the Sector. It is likely that this development will preclude mining of the 38 million tons of resources contained in these parts of Sector B-1.

Candidate for Termination of Designation - Sector B-2 (19 acres) is west of Mills Avenue at the intersection of Baldy Road. A flood control channel now crosses this area, making the remaining areas too small to be mined. It is likely that this will preclude mining of the approximately 3.5 million tons of PCC-grade aggregate resources contained in Sector B-2.

Candidate for Termination of Designation - Sector B-3 (38 acres) straddles Mills Avenue, immediately south of the intersection with Baldy Road. Residential development now covers this Sector. It is likely that this will preclude future mining of the approximately 8.3 million tons of PCC-grade aggregate resources contained in Sector B-3.

Candidate for Termination of Designation - Sector B-4 (24 acres) is west of Padua Avenue and east of Baldy Road, immediately southwest of their intersection. Residential development now covers this Sector. It is likely that this will preclude future mining of the approximately 8.4 million tons of PCC-grade aggregate resources contained in Sector B-4.

Candidate for Termination of Designation - part of Sector B-5 (29 acres) in the southwestern part of the Sector, east of Mills Avenue and south of Baldy Road. Residential development now covers this area. It is likely that this will preclude mining of the approximately 2.6 million tons of PCC-grade aggregate resources contained in this part of Sector B-5.

Candidate for Termination of Designation - Sector B-6 (30 acres) is a square area between Mills and Bonnie Brae Avenues, and between Miramar Avenue and Alamosa Drive. Residential development now covers this Sector. It is likely that this will preclude mining of the approximately 7 million tons of PCC-grade aggregate resources contained in Sector B-6.

Candidate for Termination of Designation - Sector B-9 (22 acres) is an area south of Baseline Road and west of Monte Vista Avenue. The 210 Freeway now covers this Sector. It is likely that this will preclude mining of the approximately 7 million tons of PCC-grade aggregate resources contained in Sector B-9.

Candidate for Termination of Designation – part of Sector B-10 (9 acres) is in the eastern end of the Sector. Urban development now covers this part of the



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Sector. It is likely that this will preclude mining of the approximately 2.2 million tons of PCC-grade aggregate resources contained in this part of Sector B-10.

Candidate for Termination of Designation – part of Sector C-2 (12 acres) is along the western edge of the Sector. Urban development now covers this part of the Sector. It is likely that this will preclude mining of the approximately 2 million tons of PCC-grade aggregate resources contained in this part of Sector C-2.

Candidate for Termination of Designation - Sector C-5 (55 acres) is an area north of 21st Street between Euclid and Campus Avenues. Housing now covers this Sector. It is likely that this will preclude mining of the approximately 9.8 million tons of PCC-grade aggregate resources contained in Sector C-5.

Candidates for Termination of Designation in Sector D-3 (totaling 322 acres) are in four separate locations: 1) along the southwestern edge of the Sector, west of the Deer Creek Channel; 2) in the southwestern part of the Sector, east of the Deer Creek Channel and south of Banyan Street; 3) in the southern part of the Sector, north of Banyan Street and east of Milliken Avenue; and 4) an isolated part of the Sector, north of Hillside Road, between Haven and Hermosa Avenues. It is likely that housing development in these areas will preclude mining of the 21.6 million tons of resources contained in these parts of Sector D-3.

POLICY STATEMENT OVERVIEW: The proposed language in the added regulation describes specifically which candidates or sectors are being considered for termination.

CEQA COMPLIANCE: The SMGB has determined that this rulemaking process is not a project under Title 14, CCR Section 15378 of the CEQA Guidelines, or is categorically exempt under Title 14, CCR Section 15308 of the CEQA Guidelines.

DISCLOSURES REGARDING THE PROPOSED ACTION: The SMGB has made the following determinations:

Mandate on local agencies and school districts: SMGB staff determined that adoption of this regulation does not impose any new mandates on local agencies or on local school districts.

Costs or savings to any State agency: SMGB staff determined that this proposed regulation imposes no savings or additional expenses to state agencies.



Cost to any local agency or school district which must be reimbursed in accordance with Government Code §§ 17500 through 17630: SMGB staff determined this proposed regulation does not impose any additional cost obligations on local agencies or on local school districts.

Other non-discretionary costs or savings imposed upon local agencies: SMGB staff determined that no other non-discretionary costs or savings to local agencies are imposed by the proposed regulations.

Cost or savings in Federal funding to the State: SMGB staff determined that there are no costs or savings in Federal funding to the State.

Significant statewide adverse economic impact directly affecting business including the ability of California businesses to compete with businesses in other states: SMGB staff determined that no statewide adverse impacts to California businesses result from the adoption of this proposed regulatory language.

Potential cost impact on private persons or directly affected businesses: SMGB staff has determined that the proposed regulatory language will not have a potential cost impact on private persons.

Creation or elimination of jobs in California: SMGB staff has determined that the adoption of these regulations will not:

- Create nor eliminate jobs within California;
- Create new nor eliminate existing businesses within California; or
- Expand businesses currently doing business in California.

Significant effect on housing costs: SMGB staff has determined that the adoption of these regulations will have no significant effect on housing costs.

Effects on small businesses: SMGB staff has determined that the imposition of the proposed regulation will have no significant impact on small businesses.

CONSIDERATION OF ALTERNATIVES: The SMGB has determined that no reasonable alternative that it has considered or that has otherwise been identified and brought to the attention of the SMGB would be more effective in carrying out the purpose for which the action is proposed or would be as effective and less burdensome to affected private persons, lead agencies, or small businesses, than the proposed action. SMGB staff has not identified any adverse impacts resulting from the proposed regulation.



CONFLICT WITH FEDERAL REGULATIONS: This regulation does not duplicate or conflict with existing Federal statutes or regulations. Also, by Memorandum of Understanding with the Federal Bureau of Land Management, the U. S. Forest Service, the Department of Conservation, and the SMGB, SMARA and federal law are coordinated to eliminate duplication.

SPECIFIC PURPOSE: The proposed amended regulatory language is intended to terminate designation of eighteen areas in eleven Sectors identified by the State Geologist as potential candidates for termination of designation status because of high-value incompatible land use developments. These mineral resources lands have been designated by the lead agency for alternative land uses. Notably, new housing has been placed on fifteen of the eighteen areas; two areas are the site of a new freeway, and another area is crossed by a flood control channel.

STATEMENT OF NECESSITY: Eighteen areas in eleven Sectors are identified by the State Geologist as potential candidates for termination of designation status because of high-value incompatible land use developments. New housing has been placed on fifteen of the eighteen areas; two areas are the site of a new freeway, and another area is crossed by a flood control channel. Thus, such lands are no longer accessible for the extraction of mineral resources.

IDENTIFICATION OF TECHNICAL / THEORETICAL / EMPIRICAL STUDY, REPORTS, OR DOCUMENTS UPON WHICH THE SMGB HAS RELIED: The SMGB has relied on several analyses and reports prepared by staff of the California Geological Survey (formerly the California Division of Mines and Geology). The analyses and reports relied upon include:

CGS Special Report 143, Part VI, titled "*Mineral Land Classification of the Greater Los Angeles Area, Part VI, Classification of Sand and Gravel Resource Areas, Claremont-Upland Production-Consumption Region,*" dated 1984.

CGS Special Report 202, titled "*Update of Mineral Land Classification for Portland Cement Concrete-Grade Aggregate in the Claremont-Upland Production-Consumption Region, Los Angeles and San Bernardino Counties, California,*" dated 2007.

EXECUTIVE OFFICER RECOMMENDATION: Upon review and consideration of the provided information, the Executive Officer recommends that the SMGB direct the Executive Officer to proceed with the 45-day notice to adopt amended regulations to cause termination of designated mineral resources lands of statewide or regional significance in the Claremont-Upland P-C region.



SUGGESTED MOTION LANGUAGE: The Executive Officer offers the following motion for the SMGB's consideration:

Motion - to direct the Executive Officer to commence the rulemaking process:

Mr. Chairman, in light of the information before the SMGB today, I move that the Board approve the proposed regulatory language for the termination of designation of mineral resources lands in the Claremont-Upland Production-Consumption Region, pursuant to its authority under PRC Section 2755 and PRC Section 2793, and instruct the Executive Officer to commence the rulemaking process, and proceed with the 45-day notice to adopt such regulations.

Respectfully submitted:

Stephen M. Testa
Executive Officer

PROPOSED REGULATION TEXT:

Article 3 CCR Section 3550.7 Construction Aggregate Resources, Claremont-Upland Production-Consumption Region.

Two maps identifying the exact locations of the designated resources areas being terminated entitled "Updated Aggregate Resource Sector Map for Portland Cement Concrete-Grade Aggregate in the Claremont-Upland Production-Consumption (P-C) Region, Los Angeles and San Bernardino Counties, California, 2007 (Plates I and 2)" are incorporated by reference into this regulation. These maps are available from the State Mining and Geology Board's office in Sacramento.

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housing development along the northeastern edge of the Sector between 20th Street and 21st Street; 3) the 210 Freeway crossing of the Sector in the central part, both north and south of Base Line Road; 4) industrial development along the southeastern edge of the Sector between 16th Street and 17th Street; and 5) housing development in the southwestern corner of the Sector. It is likely that this development will preclude mining of the 38 million tons of resources contained in these parts of Sector B-1.

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NOTE

Authority: Sections 2755 and 2793, Public Resources Code, Division 2, Chapter 9, Article 6

